



RAILROAD COMMISSION OF TEXAS

SURFACE MINING AND RECLAMATION DIVISION

October 2, 2009

Mr. Josh Leftwich
Environmental Manager
Uranium Energy Corporation (UEC)
400 Mann Street, Suite 900
Corpus Christi, Texas 78401

RE: Weesatche Project, Goliad County
Uranium Exploration Permit No. 123C
Inspection Report

Dear Mr. Leftwich:

Enclosed is a copy of the report for the inspection completed on September 30, 2009, at UEC's Weesatche Project, Goliad County.

If you have any questions, please contact me at (512) 305-8813.

Sincerely,

A handwritten signature in blue ink that reads "Mark Schlimgen".

Mark Schlimgen, Manager
Inspection and Enforcement

MS/sdj
Enclosure



RAILROAD COMMISSION OF TEXAS

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URANIUM EXPLORATION INSPECTION REPORT

Project Name: Weesatche Permit Number: 123C
 Permittee: UEC County: Goliad
 Industry Representative(s) Present: James Gale
 Inspector: Steve Meadows Date of Inspection: September 30, 2009

I. Field Conditions and Data Collection

Samples Collected: No ☒ Yes ☐ Sample Type: Water ☐ Soil ☐ Vegetation ☐
 Average Temperature 85 Soil Condition Muddy Date Last Rainfall 9-28-09 Wind Direction/
 Velocity (Est.) Calm
 Photographs Attached: No ☐ Yes ☒ (Complete Section IV)

II. Enforcement Action Taken

Notice of Violation Issued: No ☒ Yes ☐ NOV No. _____
 Cessation Order Issued: No ☒ Yes ☐ CO No. _____



Steve Meadows

10/02/2009

Inspector Signature

Date

Walt Schlegel 10-02-09

Reviewing Supervisor Signature

Date

Project Name: Weesatche
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III. Comments – Inspection Narrative

- Document the area of the permit inspected
- Discuss observations made during the inspection
- Document the results of any field tests taken
- Provide a summary of any discussions with industry representatives, along with results, and expectations from those discussions
- Describe any enforcement action taken during the inspection, along with facts or evidence supporting the enforcement action

This inspection of UEC Permit No. 123C found no exploration activity underway. Photos 1-10 document the site restoration conditions at previously inspected exploration boreholes and cased wells primarily on the Braquet property as they appear currently and at noted periods in the past. Markers at most exploration boreholes were removed after final inspection at landowner's request and most of these drilling locations are essentially unnoticeable. Re-vegetation is significantly advanced with recent rains. Observation of site restoration and re-vegetation issues will be the subject of future inspections.

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VI. Photographs



Photo 1: Exploration area on Braquet property on 1-17-08 with cased wells and marked boreholes visible.

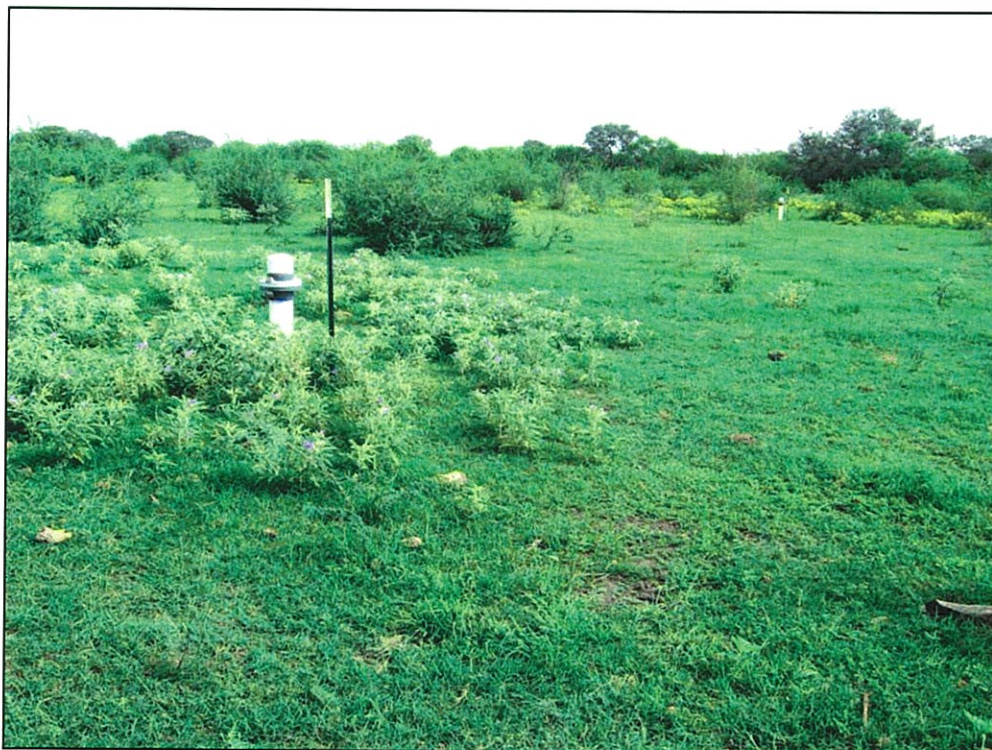


Photo 2: Cased wells on Braquet exploration area on 9-30-09.

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VI. Photographs



Photo 3: View of exploration area from Blutzner Road containing numerous exploration boreholes on 12-17-08.



Photo 4: Area of exploration viewed from Blutzner Road on 9-30-09.

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VI. Photographs



Photo 5: Typical site restoration of exploration borehole on 11-18-08.



Photo 6: Typical exploration borehole site restorations as they appeared on 9-30-09.

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VI. Photographs



Photo 7: Typical cased well site restoration at PTW-12 on 10-16-08.



Photo 8: Cased well BMW-22 on 9-30-09.

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VI. Photographs



Photo 9: Cased well site restoration on Braquet property On 9-30-09.

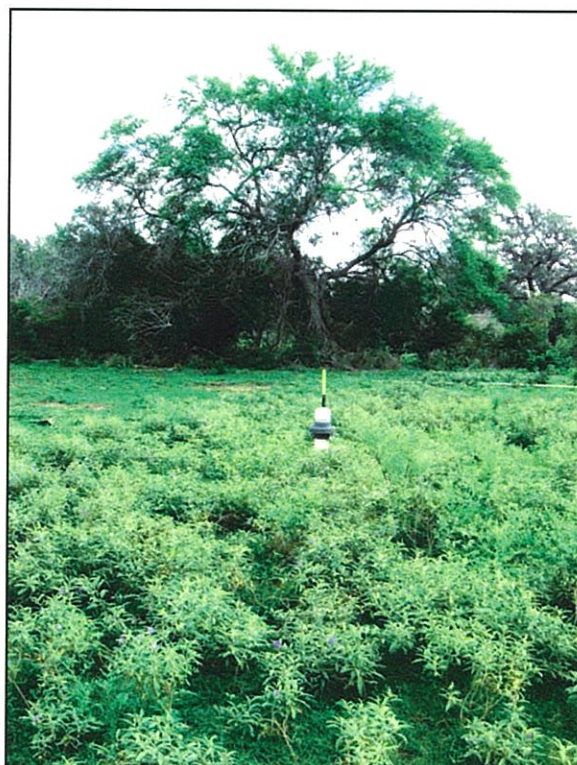


Photo 10: Braquet cased well site restoration.